

Kirkwood, NY - Deeply concerned about a proposal by New York State Electric and Gas (NYSEG), a subsidiary of Iberdrola USA, to dramatically cut the jobs and salaries of more than 200 employees at its Kirkwood facility, Congressman Maurice Hinchey (D-NY) today called on the New York State Public Service Commission (PSC) to launch an investigation of the company and to simultaneously have the company halt its plans pending the outcome of the probe. Hinchey noted that while Iberdrola USA enjoyed profits in excess of \$100 million in 2009, company executives are seeking to increase their profits even further by turning their backs on the workers at the Kirkwood facility and placing a request with the PSC to increase the amount it can charge ratepayers.

When Iberdrola USA became the owner of NYSEG less than two years ago, the public was assured, among other things, that service quality standards would be strengthened. Hinchey expressed strong concerns that in addition to massive job and salary cuts for workers that the overall public will lose out on important customer support service.

The full text of Hinchey's letter to PSC Chairman Garry A. Brown follows:

March 5, 2010

The Honorable Garry A. BrownChairman

New York State Public Service Commission

Agency Building 3, Empire State Plaza

Albany, New York 12223

Dear Chairman Brown,

I am writing to express my deepest concerns about a proposal by New York State Electric and Gas (NYSEG), a subsidiary of Iberdrola USA, to curtail services provided by its customer service center in Kirkwood, New York. These plans, which were recently made public by impacted workers, raises serious questions about NYSEG's commitment and ability to meet the needs of its ratepayers, and demonstrates a surprising level of disregard for dedicated longtime NYSEG employees.

It is my understanding that last week more than 200 employees at the NYSEG customer service call center were notified that they must choose between a 50 percent pay cut or no job at all, with certain longtime employees being offered early retirement incentives or one-time bonuses for accepting pay cuts. It is also my understanding that workers must vote to accept this offer in less than two weeks. I am outraged by the choice being forced upon these workers and mystified by the capricious gamble NYSEG appears to be willing to make with regard to whether this critical customer service center will continue to serve ratepayers. I expected much more from the new owners of NYSEG, Iberdrola USA, who assumed ownership of the company less than two years ago. At the time of this acquisition, the public was assured, among other things, that service quality standards would be strengthened. Given this, and the fact that Iberdrola USA enjoyed profits in excess of \$100 million in 2009, I find the job cuts proposed for Kirkwood perplexing. For these and other reasons, I am calling on the Public Service Commission to investigate these issues independently and in the context of NYSEG's pending request for a delivery rate increase.

I believe that NYSEG must demonstrate immediately to your commission that the proposed workforce reduction plan for Kirkwood will not negatively impact the customer service that ratepayers expect and deserve. I urge you to use whatever tools you have at your disposal to investigate this matter and ask that you advise NYSEG to postpone any plans that it may have for the Kirkwood call center until your inquiry is completed.

I greatly appreciate your attention to this critical matter and thank you for anything you can do to ensure that the ratepayers and workers impacted by this proposed plan are thoroughly considered and treated fairly.

Best regards.

Sincerely,

Maurice D. Hinchey